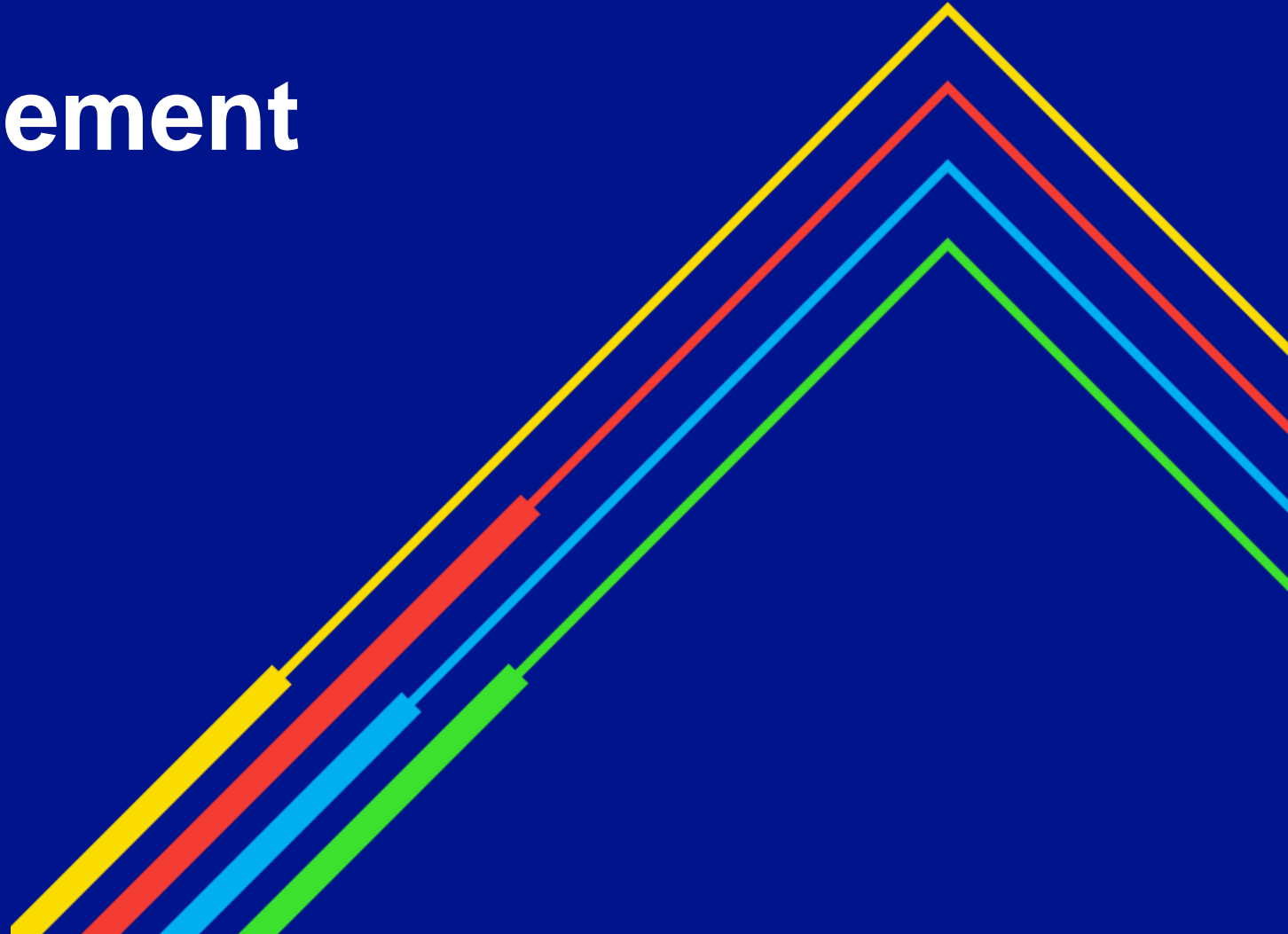


# National Grid Moratorium Management

Case 24-G-0248  
Technical Conference

October 17, 2024

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# Welcome to All

## Agenda

1. Introduction
2. Background
3. Supply / Demand Imbalance and System Constraints
4. Communications Plan & Customer Bill of Rights
5. Q&A

### Meeting Logistics:

Q&A will be held at the end of the presentation to address matters related to the material presented.

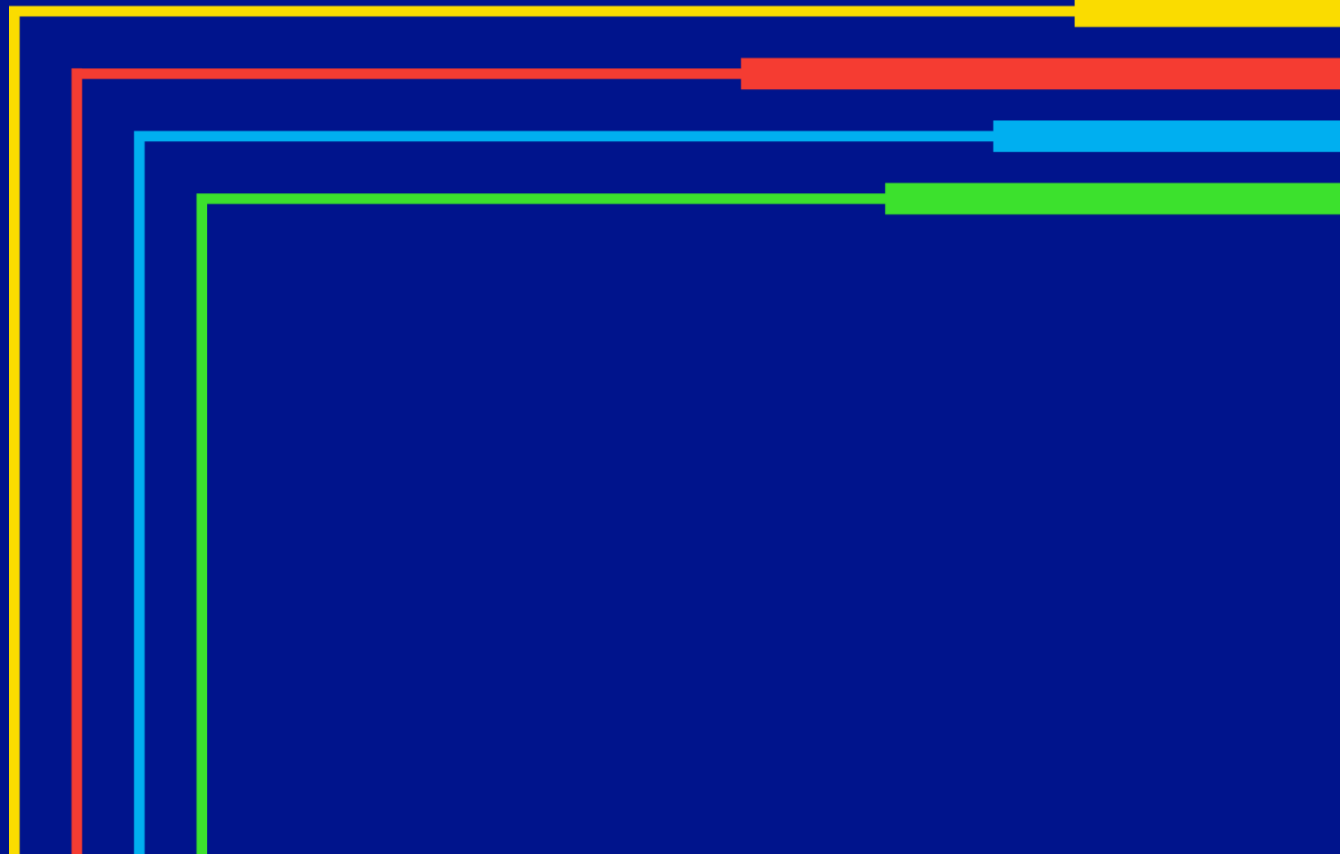
Please use the “raise hand” feature of the meeting platform.

DPS Staff will be moderating the Q&A portion of today’s conference.

# 1

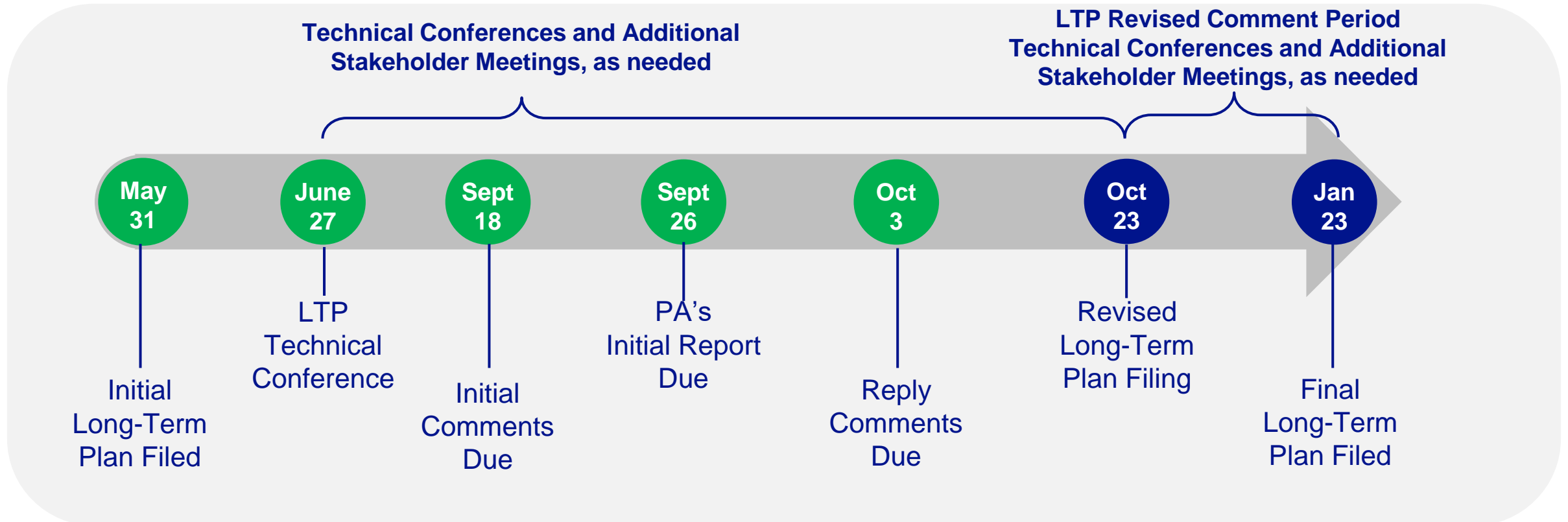
## Introduction

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# Introduction to National Grid's LTP

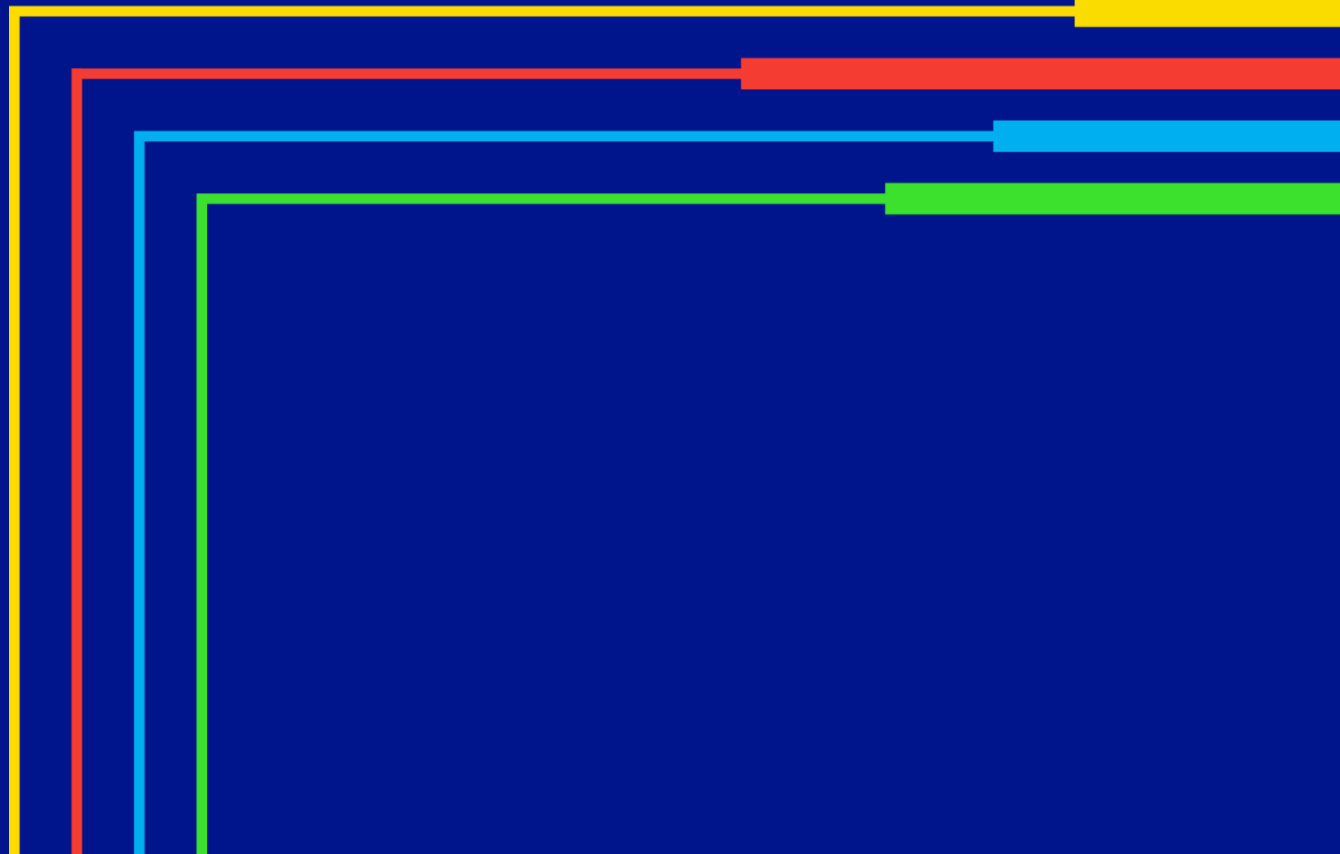
- National Grid filed our LTP for KEDNY/KEDLI/NMPC on 5/31/24; [Case 24-G-0248](#); materials available on [ngridolutions.com](https://ngridolutions.com)
- We are working on our revised LTP, which will incorporate our latest forecast of customer requirements
- The schedule below is updated to reflect the extended comment and reply comment period



# 2

## Background

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# Gas Growth and Mitigation Efforts

## CUSTOMER DEMAND FOR GAS IS GROWING UNDER CURRENT REGULATIONS AND POLICIES

and is projected to continue to grow in the future despite ambitious existing energy efficiency and heat electrification programs.

### Key Drivers of Gas Growth:

- Economic Development
- Price Differential for Natural Gas
- Housing Market

### Our Clean Energy Programs

- Energy Efficiency Programs
- Clean Heat
- Gas Demand Response (DR)
- Non-Pipeline Alternatives (NPAs)
- Thermal Energy Networks (TENs)

### Current & Pending Clean Energy Projects



- RNG
- UTEN
- NPAs / Targeted Electrification
- Firm Gas Demand Response
- Energy Efficiency
- Electrification of Heat/Electrification Referrals

# What is a Moratorium?

- A moratorium is a temporary suspension of new firm gas connections due to supply or system limitations and may vary in duration based on service territory location and the nature of constraint
- Moratoria are location specific, limited to supply constrained areas of the service territory, and do not apply to non-firm service customer load
- A moratorium can create adverse customer impacts
- A moratorium can impact emissions in either direction:



Increased emissions may result where the alternative to natural gas is oil or propane



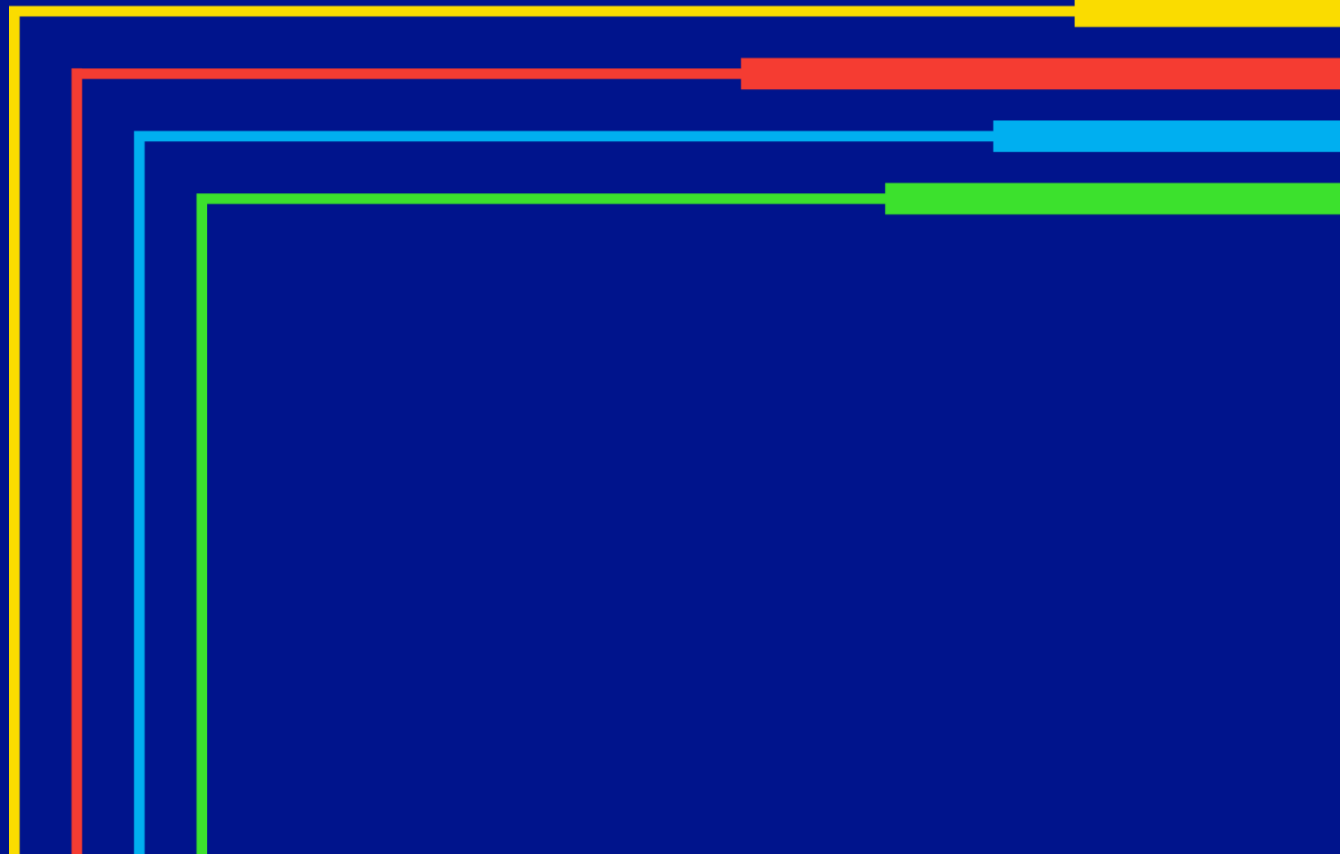
Decreased emissions may result where the alternative is efficient use of clean electricity

- Policy matters related to moratoria have been addressed in several regulatory processes especially in Case 20-G-131 and include moratorium management proposals, tariff revisions, Customer Bill of Rights filings, Communications Plans, etc.

# 3

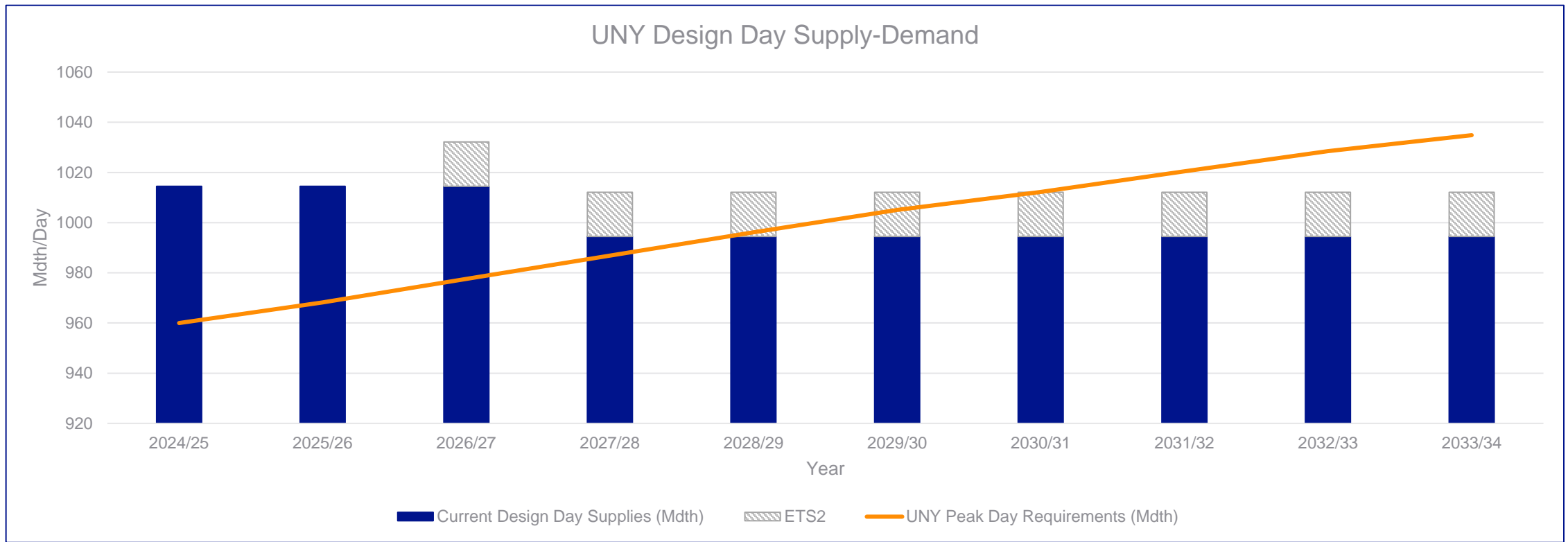
## Supply / Demand Imbalance and System Constraints

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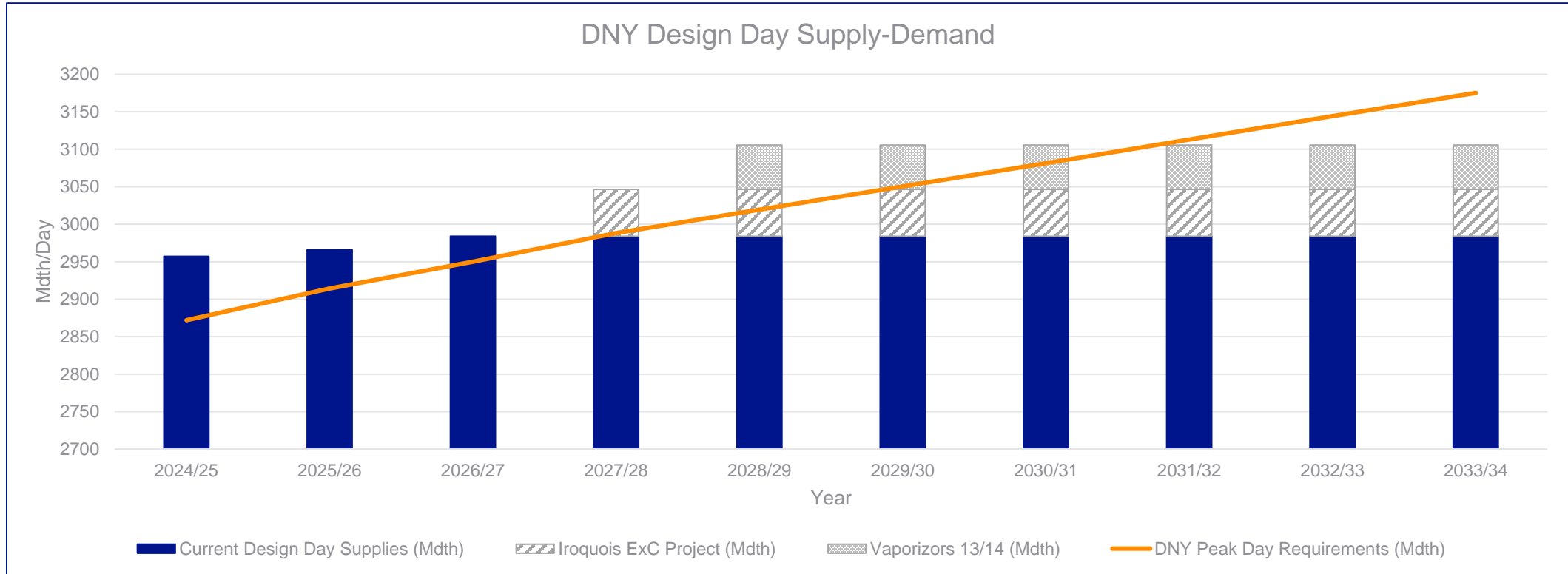
# Current Upstate NY Supply-Demand Imbalance



Note: Locational peak hour requirements may drive need for incremental supply.

|                                    | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Current Design Day Supplies (Mdth) | 1015    | 1015    | 1015    | 995     | 995     | 995     | 995     | 995     | 995     | 995     |
| Energy Transfer Site 2 (Mdth)      | 0.0     | 0.0     | 17.6    | 17.6    | 17.6    | 17.6    | 17.6    | 17.6    | 17.6    | 17.6    |
| UNY Peak Day Requirements (Mdth)   | 960     | 968     | 978     | 987     | 996     | 1005    | 1012    | 1020    | 1029    | 1035    |
| Difference without ETS2 (Mdth)     | 55      | 46      | 37      | 8       | -2      | -11     | -18     | -26     | -34     | -40     |

# Current Downstate NY Supply-Demand Imbalance



Note: Locational peak hour requirements may drive need for incremental supply.

|  | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Current Design Day Supplies (Mdh)      | 2957    | 2966    | 2984    | 2984    | 2984    | 2984    | 2984    | 2984    | 2984    | 2984    |
| Iroquois ExC Project (Mdh)             |         |         |         | 62.5    | 62.5    | 62.5    | 62.5    | 62.5    | 62.5    | 62.5    |
| Vaporizers 13/14 (Mdh)                 |         |         |         |         | 59      | 59      | 59      | 59      | 59      | 59      |
| DNY Peak Day Requirements (Mdh)        | 2872    | 2914    | 2950    | 2988    | 3020    | 3050    | 3081    | 3113    | 3144    | 3175    |
| Difference without ExC or V13/14 (Mdh) | 85      | 52      | 34      | -5      | -36     | -67     | -98     | -129    | -160    | -191    |

# Key Assumptions & Risks

## Upstate NY

### Resources that expire:

- 20,000 Dth/day of city gate peaking after winter 2026/27

### Resources that are added/renewed/retained:

- Addition of ETS2 providing 17,600 Dth/day

### Risks:

- ETS2 siting and implementation

### Assessment:

- **Supply-demand imbalance by 2030/31, absent additional supplies or demand destruction**

## Downstate NY

### Resources that expire:

- Approximately 73,000 Dth/day cogen and city gate peaking after 2024/25, 2025/26 and 2026/27

### Resources that are added/renewed/retained:

- CNG supply for 5 sites to increase total from 61,600 Dth/day to 88,000 Dth/day

### Risks:

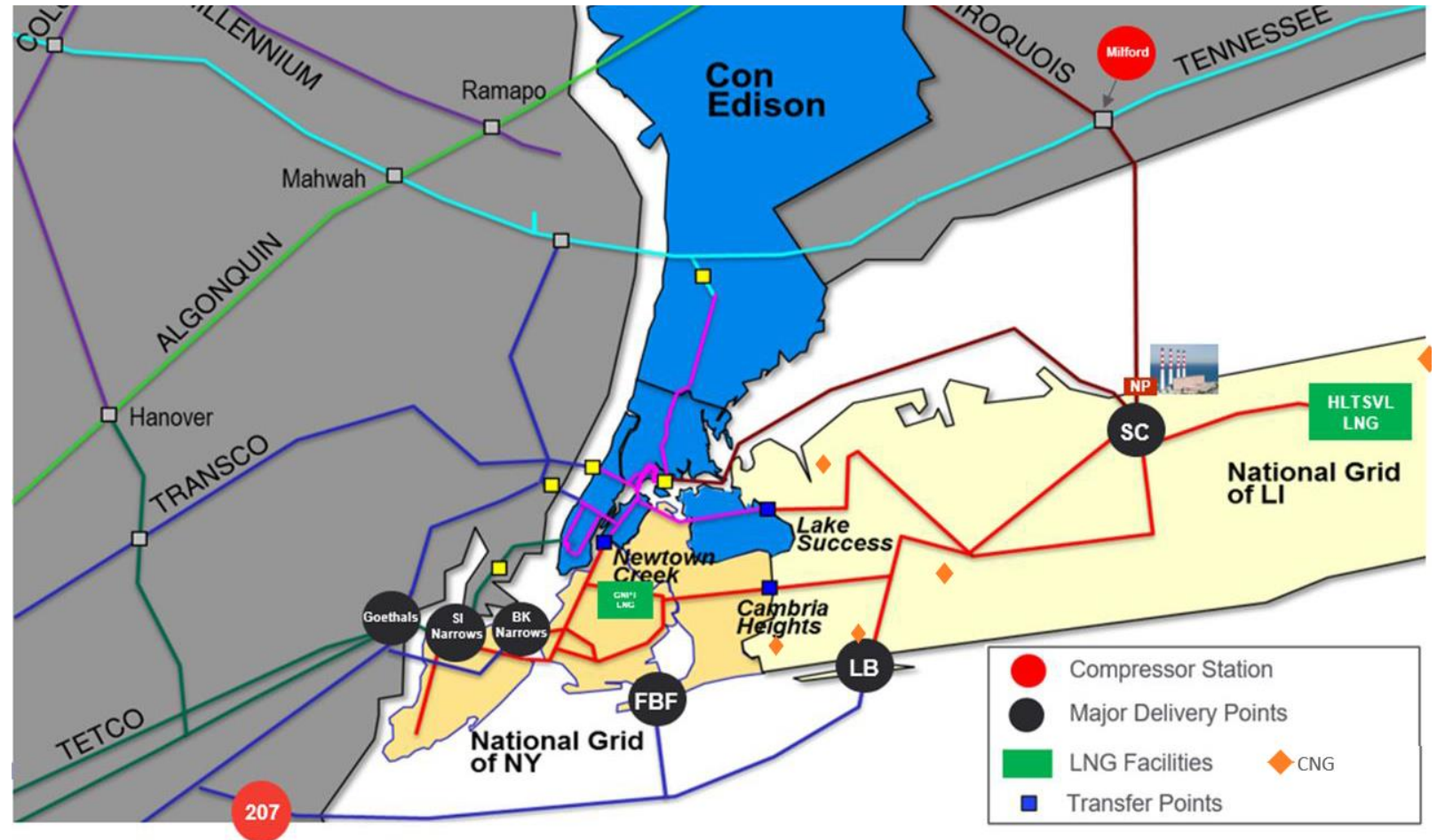
- Available capacity in the market to replace expiring cogen and city gate peaking contracts

### Assessment:

- **Supply-demand imbalance by 2027/28, absent additional supplies and demand destruction**

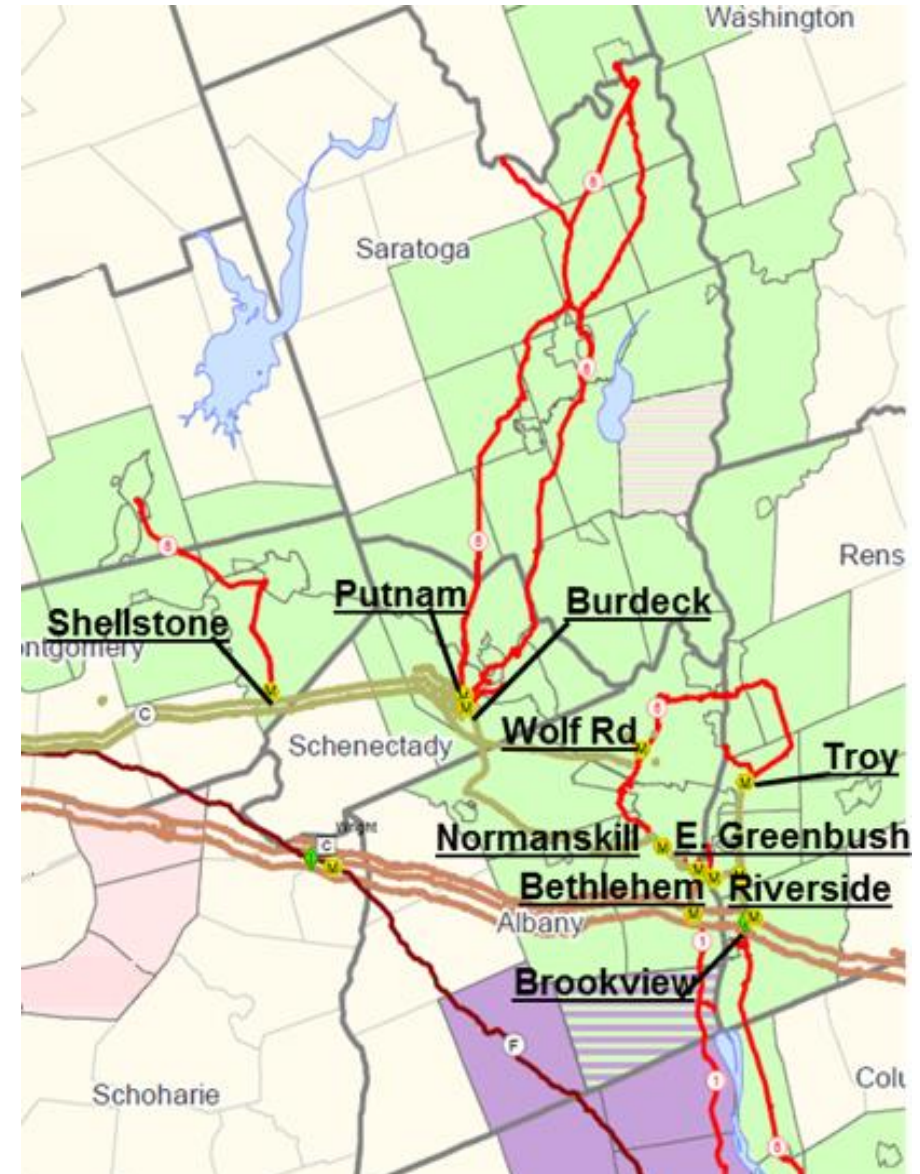
# Downstate NY Areas Impacted

- Without additional supply and/or demand destruction, the following areas would be impacted first:
  - Brooklyn
  - Queens
- Mitigation Measures
  - Investigate alternative supply options
  - NPA solicitation

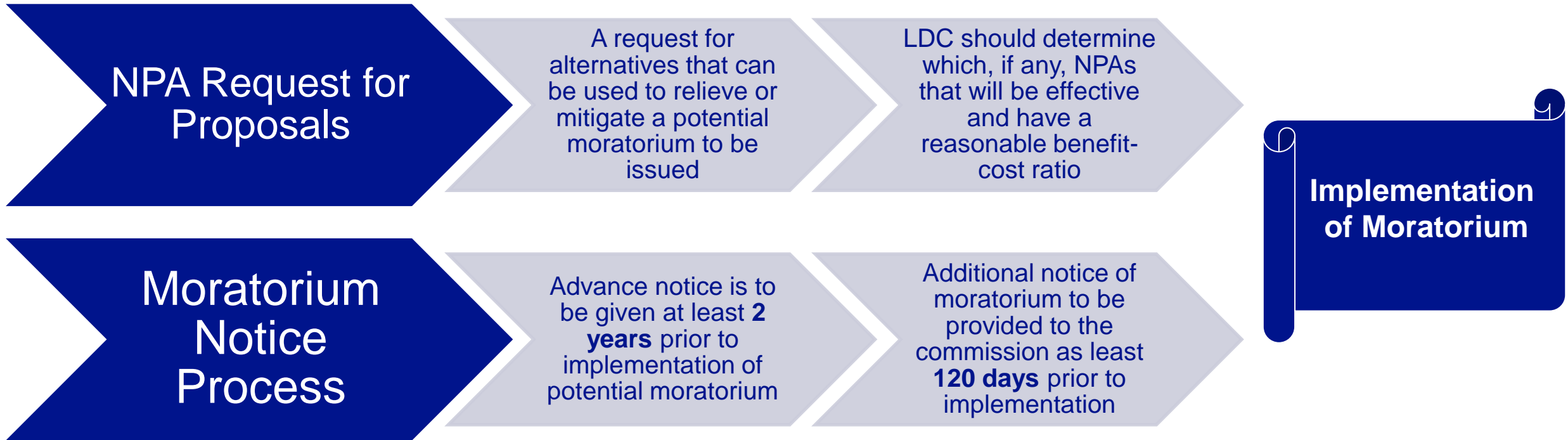


# Upstate NY Areas Impacted

- **Without incremental supplies and/or demand destruction in the future, the following areas would be impacted:**
  - East Gate



# Potential Moratorium Implementation Steps



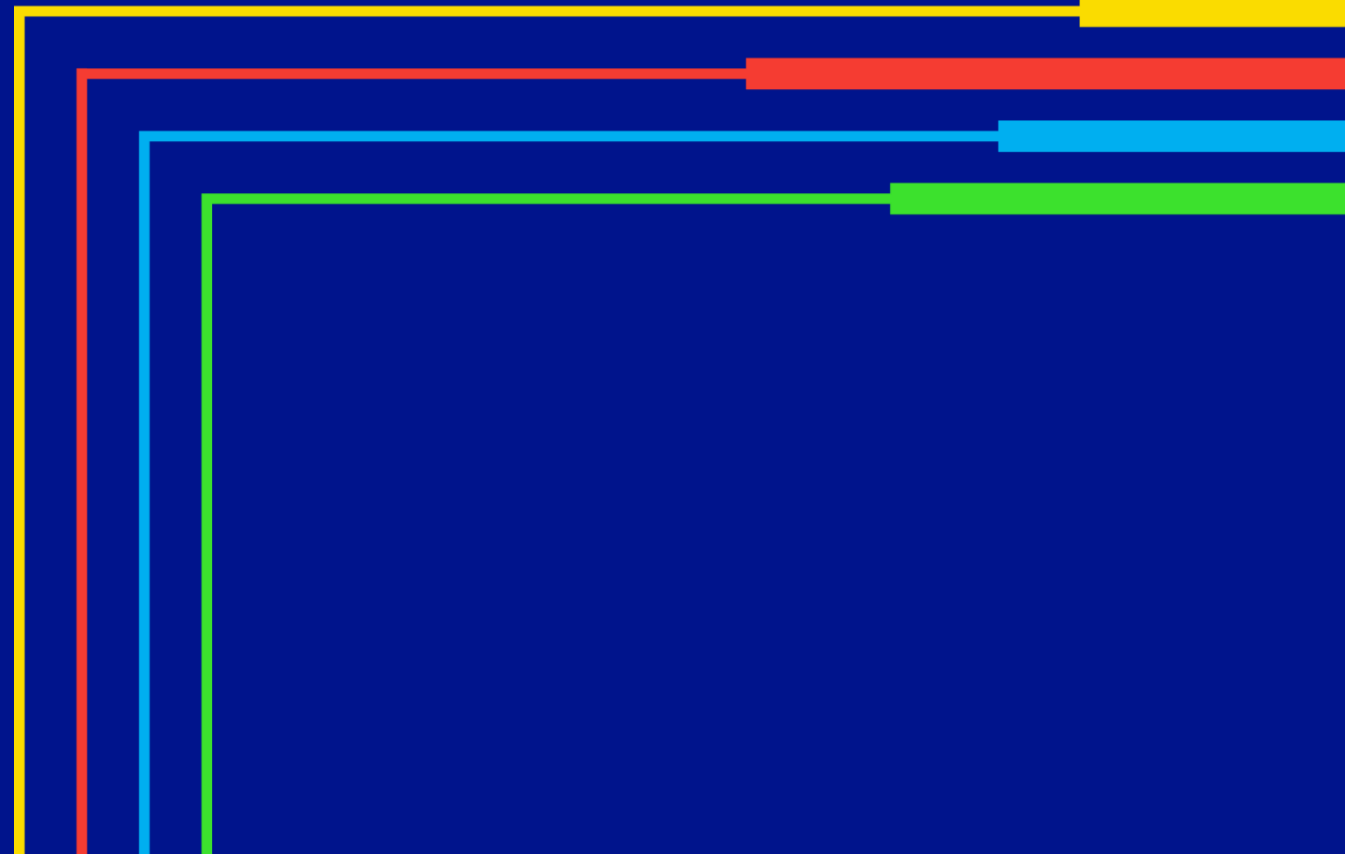
**Reference:** CASE 20-G-0131 – Proceeding on Motion of the Commission in Regard to Gas Planning Procedures. Order Adopting Moratorium Management Procedures (Issued May 12, 2022)

# Steps Company will take between issuance of notice of potential moratorium and implementation of moratorium

- **\*NPA Request for Proposals:** Determine if there are viable non-pipeline alternatives that can be used to mitigate or relieve the potential moratorium
- **Advanced Infrastructure Permitting:** Continue to advocate for the approval of permits pertaining to the critical supply projects
- **Energy Efficiency Programs:** Continued focus on energy efficiency programs to reduce overall gas demand. Encourage customers to adopt energy-efficient appliances, upgrade insulation, and implement other measures to lower energy consumption. This can help manage demand and potentially delay or avoid a gas moratorium.
- **Promote Electrification:** Support and promote electrification efforts, especially in sectors where it is more feasible and cost-effective. Need to push electrification progress by PSEG-LI and Con Edison.
- **Collaborate with Stakeholders:** Engage with regulators, policymakers, community organizations, and other stakeholders to build relationships and advocate for balanced energy policies.
- **Engage in Public Outreach:** Educate and engage the public on the importance of a reliable and affordable energy supply. Highlight the Company's efforts in adopting cleaner energy sources and implementing sustainable practices.

# 4

## Communications Plan & Bill of Rights





# Key Principles of Communication

## Period of Awareness

- The timing of the notice of moratorium is critical. LDCs must provide adequate notice to customers and stakeholders and help them prepare for the future.

## Customer Empowerment

- Customers need the ability to make decisions regarding their service and available energy options.

## Targeted Communications

- Frequent communications should be sent to customers most impacted by the moratorium.

## Transparency

- Communications should be simple and clearly explain timing and expectations.

## Maximize Reach

- Communications should be made through blended channels (digital and nondigital) and in multiple languages to facilitate ease of access and ensure they are received by a broad range of customers and stakeholders.

## Enable Contact Center Representatives

- National Grid will ensure that customer representatives are prepared to answer questions and help customers through a combination of trainings and written materials.

# Moratorium Communications Plan



## Targeted customers

- Current
- Green Lights
- High Potential
- Inquirers
- Denied



## Customers kept informed using:

- Public Meetings/ Webinars
- Digital channels – web site, social media
- Bill Messages, Hotline, & Handouts
- Emails, Letters, & Calls



## Single Point of Contact Assigned to:

- Green Light Customers
- Denied potential customers



## Appeal Process

- Available to denied potential customers

National Grid is committed to a fair, transparent, customer-centric approach to ensure everyone is supported

# **New York State Moratorium Customer Bill of Rights**

**Provides guidance to customers of natural gas local distribution companies on rights that apply in the event a moratorium on new gas service is declared**

**The Joint LDCs submitted a draft NYS Customer Bill of Rights on June 27, 2022, which was subject to public comment and is now awaiting Commission action**

Q&A

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